

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

In Re:

LLS AMERICA, LLC,

Debtor,

BRUCE P. KRIEGMAN, solely in his capacity as court-appointed Chapter 11 Trustee for LLS America, LLC,

Plaintiff,

v.

PHYLLIS BLEA., et al,

Defendants.

NO: CV-12-479-RMP

Bankr. Case No. 09-06194-PCW11

Adv. Proc. No. 11-80294

DEFAULT JUDGMENT

THIS MATTER came on consideration upon the Motion of Plaintiff for

Entry of Default and Judgment against Defendant Shawn and Kristen Verbeek, and

it appearing from the file and records of this Court in this cause that the default

judgment (Bkcy. Dkt. No. 123) entered by the Bankruptcy Court should be deemed

1 proposed findings of fact and conclusions of law, and that entering final default  
2 judgment in conformity with the default judgment entered by the Bankruptcy Court  
3 is appropriate,

4 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that the  
5 Plaintiff, Bruce P. Kriegman, solely in his capacity as court-appointed Chapter 11  
6 Trustee for LLS America, LLC, shall have a judgment against Defendants Shawn  
7 and Kristen Verbeek, as follows:

8       1. Monetary Judgment in the amount of \$18,250.00 USD, pursuant to 11  
9 U.S.C. § 550 and RCW 19.40.071;

10      2. Transfers in the amount of \$18,250.00 USD made to the Defendants  
11 Shawn and Kristen Verbeek within four years prior to the Petition Filing Date are  
12 hereby avoided and Plaintiff may take all necessary action to preserve the same,  
13 pursuant to 11 U.S.C. §§ 544, 550, 551 and 548(a) and (b) and RCW 19.40.041(1)  
14 and (2) and RCW 19.40.071;

15      3. All said transfers to Defendants Shawn and Kristen Verbeek are hereby  
16 set aside and Plaintiff shall be entitled to recover the same, or the value thereof,  
17 from Defendants Shawn and Kristen Verbeek for the benefit of the estate of LLS  
18 America, pursuant to 11 U.S.C. §§ 544, 550 and 551;

19      4. All proofs of claim of the Defendants Shawn and Kristen Verbeek which  
20 have been filed or brought or which may hereafter be filed or brought by, on behalf

1 of, or for the benefit of Defendants Shawn and Kristen Verbeek or their affiliated  
2 entities, against the Debtor's estate, in this bankruptcy or related bankruptcy  
3 proceedings, are hereby disallowed and subordinated to the monetary judgment  
4 granted herein and Defendants Shawn and Kristen Verbeek shall not be entitled to  
5 collect on their proof of claim (216-1) until the monetary judgment is satisfied by  
6 Defendants Shawn and Kristen Verbeek in full, pursuant to 11 U.S.C. §§ 502(d),  
7 510(c)(1) and 105(a);

8        5. A constructive trust is hereby established over the proceeds of all transfers  
9 in favor of the Trustee for the benefit of the estate of LLS America; and

10        6. Plaintiff is hereby awarded costs (i.e. filing fees) in the amount of \$250.00  
11 USD, for a total judgment of \$18,500.00 USD, which shall bear interest equal to  
12 the weekly average of one-year constant maturity (nominal) treasury yield as  
13 published by the Federal Reserve System.

14 The District Court Clerk is directed to enter this Order, enter judgment as  
15 outlined above, and provide copies to counsel and to Judge Patricia C. Williams.

16 DATED this 1st day of November 2012.

19 s/ Rosanna Malouf Peterson  
ROSANNA MALOUF PETERSON  
Chief United States District Court Judge